VZCZCXRO5067

PP RUEHAG RUEHROV

DE RUEHCV #0227/01 0531735

ZNY CCCCC ZZH

P 221735Z FEB 08

FM AMEMBASSY CARACAS

TO RUEHC/SECSTATE WASHDC PRIORITY 0643

INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY

RUMIAAA/HQ USSOUTHCOM MIAMI FL PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 000227

SIPDIS

SIPDIS

HQSOUTHCOM ALSO FOR POLAD DEPARTMENT PASS TO AID/OTI (RPORTER)

E.O. 12958: DECL: 02/21/2018 TAGS: PGOV PREL KDEM VE

SUBJECT: PSUV FOUNDING CONGRESS: DELAYS AND AN EXPULSION

CARACAS 00000227 001.2 OF 002

Classified By: POLITICAL COUNSELOR ROBERT RICHARD DOWNES, REASONS 1.4 (B) AND (D)

11. (C) Summary. President Chavez publicly declared after his constitutional referendum defeat that shoring up his political base will be one of his highest priorities. then, he has focused considerable personal attention on launching his proposed single, pro-government party, the United Socialist Party of Venezuela (PSUV). Some 1600 PSUV delegates are trying to forge party statutes and select party leaders at an ongoing, and much-delayed, founding congress. According to current planning, PSUV leaders hope to register the new party with electoral authorities by March, well before state and local elections tentatively slated for November. The ham-handed expulsion of a National Assembly deputy from the party is highlighting the extent to which this ostensibly grassroots party is being steered by Chavez and a small, powerful group of core supporters. It has also revealed and exacerbated cleavages within Chavismo. The PSUV is fast establishing that it values party discipline over other considerations and does not welcome dissent. The PSUV continues to enjoy extensive government support, including free air time and advertising space in government-owned media outlets. End Summary.

The Much-Delayed Party Congress

- 12. (SBU) President Chavez spoke January 19 to over 1600 elected PSUV delegates to open the party congress of his proposed single, pro-government party, the United Socialist Party of Venezuela (PSUV). The PSUV founding congress has been tasked with establishing party regulations and a political platform. President Chavez postponed the congress a number of times in 2007 before declaring that it should be held soon after the December 2007 constitutional referendum. The PSUV founding congress, divided into some 50 work committees, has been holding weekend sessions since January 19 both in Caracas and other Venezuelan cities. Critics accuse BRV officials of using government resources to sustain the PSUV congress and of exploiting government-owned media to promote the PSUV.
- 13. (SBU) Chavez spoke for five hours to the PSUV congress on February 16, urging party delegates to embrace unity and to set aside individual ambitions. In addition, Chavez exhorted party members to elicit greater local participation in PSUV "battalion" meetings. Chavez also reportedly tasked the PSUV delegates with selecting party leaders and establishing

criteria for selecting gubernatorial and mayoral candidates. Party leaders told the local media that they expect the PSUV founding congress to conclude in early March and to register as a political party with the National Electoral Council (CNE) around the same time.

14. (C) While ostensibly a party being forged "from below," the formation of the PSUV appears to be closely supervised from above by a small, powerful group of Chavez supporters who make up the PSUV Support Committee, successor to the larger PSUV Promotion Commission. Chavez designated former Vice President Jorge Rodriguez to lead the Support Committee's efforts. Miranda State Governor Diosdado Cabello, former Vice President Jose Vicente Rangel, and National Assembly Deputy Dario Vivas are also reportedly playing a key role. The Support Committee meets with and answers to the Venezuelan president.

Expulsion of NA Deputy

- 15. (SBU) Former VP Jorge Rodriguez and Miranda State Governor Diosdado Cabello announced on Venezuelan state television February 16 that the PSUV founding congress unanimously voted to expel National Assembly Deputy Luis Tascon from the party. Days before in the National Assembly, Tascon accused recently appointed Tax Authority (SENIAT) Director Jose David Cabello, brother of Diosdado, of purchasing some 200 cars and microbuses at grossly inflated prices when Jose David Cabello was at the Ministry of Infrastructure in 2004. The PSUV voting bloc in the National Assembly also expelled Tascon from its parliamentary group on February 21.
- $\P6$. (SBU) Diosdado Cabello denied the corruption accusation against his brother and in a press release accused Tascon of being an "instrument of the (U.S.) empire." Cabello added

CARACAS 00000227 002.2 OF 002

that Tascon had spent a month "in the offices of Bill Gates" and suggested that while there a chip was injected into Tascon's blood. Cabello also produced a purported written request by Tascon for a diplomatic passport for a banker that Cabello said is associated with narcotrafficking. National Assembly President Cilia Flores reportedly tried to dismiss the NA Comptroller Commission chairman who received Tascon's complaint, but failed.

17. (C) Hard-line Chavistas such as National Assembly Deputies Iris Varela and Carlos Escarra have publicly defended Tascon. Varela questioned how someone could be expelled from a party that is not yet formally established. Escarra noted that Tascon should have the right to defend himself and questioned the manner in which he was reportedly expelled from the PSUV by simple acclamation at the February 15 founding congress meeting. Numerous Chavistas have posted op-eds on the pro-government "apporea.org" website accusing PSUV leaders of imposing excessive party discipline at the expense of democracy.

PSUV: Multiple Currents

- 18. (C) Intra-PSUV squabbling appears to reflect increasingly visible divisions within Chavismo. NA Deputy Carlos Escarra told the media that there are three currents within the PSUV occupying the left, center, and right of the pro-Chavez spectrum. Miranda State Governor Cabello publicly accused Tascon of being part of the "false left"; Tascon accused the Miranda governor of being part of the "endogenous right."
- 19. (C) Podemos leaders told the Ambassador February 19 that within the National Assembly, Escarra, Foreign Minister Nicolas Maduro (and presumably now his common-law wife and National Assembly President Cilia Flores), and former Army

major Francisco Ameliach lead three separate informal groups. Other insiders report that there are a few dozen "renovation" legislators trying to force the National Assembly leadership to share power -- and perks -- more broadly.

Comment

- 110. (C) The PSUV's Stalinesque expulsion of NA Deputy Tascon is a noteworthy example of growing cleavages within Chavismo as well as the Bolivarian revolution's capacity to eat its own. It also could not have happened to a "nicer guy" Tascon is widely known for posting on his website the names and national identity numbers of all the persons who signed the recall petition against President Chavez. Chavez supporters subsequently used the "Tascon" list to deny government jobs, contracts, services and benefits to signatories.
- 111. (C) Tascon's ouster from the PSUV recalls the stripping of NA Deputy Francisco Ameliach of his PSUV coordinating role within the National Assembly in August 2007. Ameliach was disciplined after he suggested publicly that if the PSUV was not ready for 2008 state and local elections, Chavez' former political party, the Fifth Republic Movement (MVR), should be "dusted off" to compete at the polls. Notwithstanding Chavez' claim that he is trying to build a genuinely popular party from the ground up, the PSUV is earning a reputation for doctrinaire and factional politics rather than for fostering grassroots democracy and cooperation within the Chavista base.

DUDDY